



[6450-01-P]

DEPARTMENT OF ENERGY

[FE Docket No. 15-96-LNG]

Port Arthur LNG, LLC: Application to Amend Application for Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of amendment.

SUMMARY: The Office of Fossil Energy (FE) of the Department of Energy (DOE) gives notice of receipt of an application for amendment (Amendment), filed on October 18, 2018, by Port Arthur LNG, LLC (Port Arthur LNG) of its pending application in this proceeding. Previously, on June 15, 2015, Port Arthur LNG filed an application (Application) requesting authorization to export domestically produced liquefied natural gas (LNG) from a proposed natural gas processing, liquefaction, and export project it intends to construct, own, and operate in Port Arthur, Texas (Project), to any country with which the United States does not have a free trade agreement (FTA) requiring national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy (non-FTA countries). The Amendment requests a “design increase,” *i.e.*, to increase the export volume requested in the Application by 181 billion cubic feet per year (Bcf/yr) of natural gas, to a total requested volume of 698 Bcf/yr (1.91 billion cubic feet per day (Bcf/d)). This proposed increase will align Port Arthur LNG’s requested non-FTA export volume with the requested liquefaction capacity for the Project in an application filed with the Federal Energy Regulatory Commission (FERC).

DATES: Protests, motions to intervene or notices of intervention, as applicable, requests for additional procedures, and written comments are to be filed using procedures detailed in the **Public Comment Procedures** section no later than 4:30 p.m., Eastern time, **[INSERT DATE 20 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

ADDRESSES:

Electronic Filing by email:

fergas@hq.doe.gov

Regular Mail

U.S. Department of Energy (FE-34)
Office of Regulation, Analysis, and Engagement
Office of Fossil Energy
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Hand Delivery or Private Delivery Services (e.g., FedEx, UPS, etc.)

U.S. Department of Energy (FE-34)
Office of Regulation, Analysis, and Engagement
Office of Fossil Energy
Forrestal Building, Room 3E-042
1000 Independence Avenue, SW.,
Washington, DC 20585

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

In its pending non-FTA Application, Port Arthur LNG sought authorization to export LNG in a volume equivalent to approximately 517 Bcf/yr of natural gas (1.42 Bcf/d). However, on November 29, 2016, Port Arthur LNG and its affiliate, PALNG Common Facilities Company, LLC, filed an application at FERC (FERC Docket No. CP17-20-000) requesting authorization to site, construct, and operate the Project with a proposed maximum capacity equivalent to 698 Bcf/yr of natural gas. In this Amendment, Port Arthur LNG states that it is seeking to align its requested non-FTA export volume with the requested liquefaction capacity for the Project in its pending FERC application, which reflects the Project's maximum capacity at optimal conditions.

Additional details can be found in Port Arthur LNG's Amendment, posted on the DOE/FE website at:

<https://www.energy.gov/sites/prod/files/2018/10/f57/15-96-LNG%20Amendment.pdf>.

DOE/FE Evaluation

The Amendment will be reviewed in conjunction with DOE/FE's review of Port Arthur LNG's pending Application pursuant to section 3(a) of the NGA, 15 U.S.C. 717b(a).¹ DOE will consider any issues required by law or policy. DOE will consider domestic need for the natural gas, as well as any other issues determined to be appropriate, including whether the arrangement is consistent with DOE's policy of promoting competition in the marketplace by allowing commercial parties to freely negotiate their own trade arrangements. As part of this analysis, DOE will consider the study entitled, *Macroeconomic Outcomes of Market Determined Levels of*

¹ In a separate docket proceeding, Port Arthur LNG requested—and DOE/FE granted—the same increase to Port Arthur LNG's approved export volume to FTA countries. *See Port Arthur LNG, LLC*, DOE/FE Order No. 3698-A, FE Docket Nos. 15-53-LNG and 18-162-LNG, Order Amending Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Port Arthur LNG Project in Port Arthur, Texas, to Free Trade Agreement Nations (Nov. 20, 2018).

U.S. LNG Exports (2018 LNG Export Study),² and DOE/FE's response to public comments received on that Study.³

Additionally, DOE will consider the following environmental documents:

- *Addendum to Environmental Review Documents Concerning Exports of Natural Gas From the United States*, 79 FR 48132 (Aug. 15, 2014);⁴ and
- *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas from the United States*, 79 FR 32260 (June 4, 2014).⁵

Parties that may oppose this Amendment should address these issues and documents in their comments and/or protests, as well as other issues deemed relevant to the Amendment.

The National Environmental Policy Act (NEPA), 42 U.S.C. 4321 *et seq.*, requires DOE to give appropriate consideration to the environmental effects of its proposed decisions. No final decision will be issued in this proceeding until DOE has met its environmental responsibilities.

Public Comment Procedures

In response to this Notice, any person may file a protest, comments, or a motion to intervene or notice of intervention, as applicable. Interested persons will be provided 20 days from the date of publication of this Notice in which to submit comments, protests, motions to intervene, or notices of intervention. Because the public previously was given an opportunity to intervene in, protest, and comment on Port Arthur LNG's pending Application, DOE/FE may

² NERA Economic Consulting, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* (June 7, 2018), available at:

<https://www.energy.gov/sites/prod/files/2018/06/f52/Macroeconomic%20LNG%20Export%20Study%202018.pdf>; see also U.S. Dep't of Energy, Study on Macroeconomic Outcomes of LNG Exports; Notice of Availability of the 2018 LNG Export Study and Request for Comments, 83 FR 27314 (June 12, 2018).

³ U.S. Dep't of Energy, Study on Macroeconomic Outcomes of LNG Exports: Response to Comments Received on Study; Notice of Response to Comments, 83 FR 67251 (Dec. 28, 2018).

⁴ The Addendum and related documents are available at:

<https://www.energy.gov/sites/prod/files/2014/08/f18/Addendum.pdf>.

⁵ The Life Cycle Greenhouse Gas Report is available at: <http://energy.gov/fe/life-cycle-greenhouse-gas-perspective-exporting-liquefied-natural-gas-united-states>.

disregard comments or protests that do not bear directly on the Amendment—specifically, Port Arthur LNG’s proposed increase of its requested non-FTA export volume.

Any person wishing to become a party to the proceeding must file a motion to intervene or notice of intervention. The filing of comments or a protest with respect to the Application will not serve to make the commenter or protestant a party to the proceeding, although protests and comments received from persons who are not parties will be considered in determining the appropriate action to be taken on the Application. All protests, comments, motions to intervene, or notices of intervention must meet the requirements specified by the regulations in 10 CFR Part 590.

Filings may be submitted using one of the following methods: (1) e-mailing the filing to fergas@hq.doe.gov, with FE Docket No. 15-96-LNG in the title line; (2) mailing an original and three paper copies of the filing to the Office of Regulation, Analysis, and Engagement at the address listed in **ADDRESSES**; or (3) hand delivering an original and three paper copies of the filing to the Office of Regulation and International Engagement at the address listed in **ADDRESSES**. All filings must include a reference to FE Docket No. 15-96-LNG. PLEASE NOTE: If submitting a filing via email, please include all related documents and attachments (e.g., exhibits) in the original email correspondence. Please do not include any active hyperlinks or password protection in any of the documents or attachments related to the filing. All electronic filings submitted to DOE must follow these guidelines to ensure that all documents are filed in a timely manner. Any hardcopy filing submitted greater in length than 50 pages must also include, at the time of the filing, a digital copy on disk of the entire submission.

A decisional record on the Application will be developed through responses to this notice by parties, including the parties’ written comments and replies thereto. Additional procedures

will be used as necessary to achieve a complete understanding of the facts and issues. If an additional procedure is scheduled, notice will be provided to all parties. If no party requests additional procedures, a final Opinion and Order may be issued based on the official record, including the Application and responses filed by parties pursuant to this notice, in accordance with 10 CFR 590.316.

The Application is available for inspection and copying in the Office of Regulation, Analysis, and Engagement docket room, Room 3E-042, 1000 Independence Avenue, S.W., Washington, DC 20585. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays. The Application and any filed protests, motions to intervene or notice of interventions, and comments will also be available electronically by going to the following DOE/FE Web address:

<http://www.fe.doe.gov/programs/gasregulation/index.html>.

Signed in Washington, DC, on March 18, 2019.

Amy Sweeney

Director,

Division of Natural Gas Regulation.

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